

FISCAL NOTE

Bill #: SB0296

Title: Revise election filing fees

Primary Sponsor: Taylor, M

Status: As Amended in Senate Committee

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
State Special Revenue	\$47,348	\$28,586
Revenue:		
State Special Revenue	\$47,348	\$28,586
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input checked="" type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input checked="" type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Secretary of State

1. The Secretary of State collects filing fees.
2. This bill increases the filing fees that the Secretary of State collects and transfers the fee increases to the Commissioner of Political Practices and the counties.
3. Section 13-37-1, MCA, establishes a state special revenue account to the credit of the Office of the Commissioner of Political Practices.
4. The additional revenue to the Commissioner of Political Practices totals \$34,668 in FY 2004, and \$15,906 in FY 2005.
5. The Secretary of State will not receive any additional revenue than what it currently receives from filing fees.
6. The Secretary of State is unable to determine the amount that will be distributed to the cities and the counties.

Commissioner of Political Practices

7. SB 296 would also generate \$12,680 per fiscal year in revenue from political action committees that would be required to pay fees to the Commissioner of Political Practices.
8. The committees referred to in SB 296 consist of only statewide ballot issue committees, political action committees and political party committees.

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(continued)

9. Increased revenue will be used for education and related activities of the office and commissioner. A dedicated revenue form is attached for the new account.

<u>FISCAL IMPACT:</u>	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Secretary of State		
<u>Expenditures:</u>		
Transfers	\$34,668	\$15,906
<u>Funding of Expenditures:</u>		
Enterprise Fund (06)	\$34,668	\$15,906
<u>Revenues:</u>		
Enterprise Fund (06)	\$34,668	\$15,906
Commissioner of Political Practices		
<u>Expenditures:</u>		
Operating Expenses	\$47,348	\$28,586
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$47,348	\$28,586
<u>Revenues:</u>		
State Special Revenue (02)	\$47,348	\$28,586
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	\$0	\$0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

1. The data needed to determine the impacts on municipalities and cities is unavailable. However, the fiscal impact to cities would be minimal because most city officials are paid less than \$2,500.
2. The fiscal impact to the counties would be an increase of revenue collected from the filing fees. The following example represents the filing fee for the Clerk and Recorder. The Sheriff and Commissioners receive \$2,000 more than the clerk. The current filing fee is .5 percent of the salary and would double under the provisions of this bill by increasing the counties share of the filing fee from .5 percent to .7 percent of the 1 percent. For example, in Blaine County the current clerk filing fee is \$150.96 and under this bill would increase to \$301.92, with \$211.34 being retained by the county. The number of elected officials would determine the magnitude of the increase. Other variables that determine the increase to the counties include the number of individuals seeking each office, whether they are part-time or not, and the difference between the two-year election cycles versus the four-year election cycles.

TECHNICAL NOTES:

1. Section 2, amends 13-10-202, MCA, to require political committees to pay fees to the Commissioner of Political Practices. The commissioner has jurisdiction over Title 13, Chapters 35 and 37. The commissioner would not have jurisdiction over these fees if they are included in Chapter 10 as is written in SB 296.

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DEDICATION OF REVENUE:

- a) Are there persons or entities that benefit from this dedicated revenue that do not pay?
(please explain)

No. Money in the state special revenue account may be used only for the purposes of educating candidates and committees about campaign finance and practices laws.

- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?

Either would work although a state special account for a special purpose may track better.

- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? Yes / No (if no, explain)

Yes.

- d) Does the need for this state special revenue provision still exist? ___Yes ___No (Explain)

SB 296 would require existence of the fund. If SB 296 is not successful, there is no need for the fund.

- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)

No.

- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)

Yes, to enforce the provisions of Title 13, chapter 35.

- g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)

Funds expended from the account would be used by the agency to pay legal fees associated with investigating complaints filed with the Commissioner of Political Practices and education of the provisions of Title 13, chapter 35. The program could be adequately accounted for as well if it received general fund.